

REMARKS

Claims 1-2, 4-9, 11-17 and 19-28 are pending in this application. According to the Office Action mailed on October 11, 2006, Claims 1-2, 4-9, 11-17, and 19-28 were rejected under 35 U.S.C. § 103(a) as being anticipated by U.S. Published Application No. 2002/0016765 to Sacks ("*Sacks*"), in view of U.S. Patent No. 5,815,665 to Teper et al. ("*Teper*"). By the amendments listed above independent Claims 1, 8 and 16 have been amended.

The Sacks and Teper Combination - 35 U.S.C. § 103(a)

For at least the reasons stated below, the Applicants respectfully contend that the combination of *Sacks* and *Teper* does not teach, suggest or motivate all of the limitations of the pending claims.

A. Not All of the Sacks Disclosure is Prior Art to the Pending Application.

The Applicants note that *Sacks* issued from U.S. Patent Application 09/901,962 filed on July 10, 2001. *Sacks* claims priority to Provisional Application No. 60/217,291 filed on July 11, 2000 and Provisional Application No. 60/217,342 also filed on July 11, 2000 ("the *Sacks* provisionals"). The present application was filed on December 28, 2000, which is prior to all new matter that was added to the *Sacks* provisionals that appears in the later filed Non-provisional Application 09/901,962. Therefore, *Sacks* is facially available as prior art, if at all, **only** for that information that was disclosed in the *Sacks* provisionals. (See MPEP 706.02(f)(1) "Examination Guidelines for Applying References Under 35 U.S.C. § 102(e)," which states that the "date of the reference . . . is its earliest effective filing date, taking into consideration any proper benefit claims to prior U.S. applications under 35 U.S.C. 119(e) or 120 *if the prior application(s) properly supports the subject matter used to make the rejection in compliance with 35 U.S.C. 112, first paragraph.*" emphasis added.)

B. Amendments to Independent Claims 1, 8 and 16.

Neither the *Sacks* provisionals, nor *Teper*, alone or in combination, teach, suggest or motivate all of the limitations of amended independent Claims 1, 8 and 16. For instance, independent Claims 1, 8 and 16 all have been amended to specify an enrollment scenario where

the network user has not previously enrolled with the payment service provider. In other words, the network user has not yet established a recognized user name or password with the payment service provider.

Amended independent Claims 1, 8 and 16 require that during this enrollment session the payment service provider verifies "the received information identifying the network user and the received information identifying the payment account during the enrollment session." Such verification must come from a source other than a user name or password because neither has yet been established by the payment service provider for the network user. Support for such an amendment may be found throughout the specification of the present application (e.g., paragraph 0112 et. seq.). Such functionality mitigates fraudulent purchases by requiring verification of identification information provided by the unenrolled network user, reduces the likelihood of transaction failures before the transaction is submitted, and allows for the immediate processing of payments during the enrollment session.

The *Sacks* provisional applications fail to teach, suggest or motivate the verifying of received information identifying a network user along with verifying the received information identifying the network user's payment account during the enrollment session, where the network user has not previously enrolled with the payment service provider. While the *Sacks* provisionals disclose that a cookie may be inspected for information relating to the purchaser, such a purchaser is one who has previously enrolled with the payment service provider. (See 60/217,291, page 5; see also 60/217,342, page 2.) As described in the *Sacks* provisionals, unenrolled buyers may be asked to enter their email address (or another potential user identifier) with a desired password to enroll in the payment service. (See 60/217,291, page 5; see also 60/217,342, page 2.) However, no mention is made in the *Sacks* provisionals of the payment service verifying the accuracy of this information at the time of enrollment as required by amended independent Claim 1, 8 and 16. Therefore, the *Sacks* provisional applications do not teach, suggest or motivate the verification of the information identifying the unenrolled network user as claimed in amended independent Claims 1, 8 and 16.

Additionally, the Applicants respectfully contend that nowhere in *Teper* does it teach, suggest or motivate the verifying of received information identifying a network user along with verifying the received information identifying the network user's payment account during the

enrollment session, where the network user has not previously enrolled with the payment service provider. *Teper* discloses an Online Brokering Service that allows a user to anonymously purchase on-line services from Service Provider sites. (See *Teper* Abstract.) However, to use the Online Brokering Service, the user had to first register with the Online Brokering Service and select or receive a unique ID and user password prior to making a purchase through the use of the Online Brokering Service. (See *Teper* Col. 2, line 57 - Col. 3, line 4.) Nowhere in *Teper* does it discuss verifying the user's identification information or their account information during the initial registration session, nor does *Teper* disclose allowing a purchase to be made during the initial registration session. Rather, in *Teper*, the Online Brokering Service collects user identification information and account information and stores the information along with a user ID and password for use when the user wishes to later access a Service Provider site and make a purchase from that Service Provider site. Therefore, in *Teper*, no verification of the user provided identification information and/or account information is verified during the process of registering with the Online Brokering Service.

For the above stated reasons, the combination of the *Sacks* provisionals and *Teper* does not render the pending amended independent Claims 1, 8 and 16 obvious. Therefore, allowance of the pending claims is respectfully solicited.

C. The Dependent Claims

In addition to the distinctions discussed above with respect to amended independent Claims 1, 8 and 16, various dependent claims also include limitations that are not disclosed by the combination of the *Sacks* provisionals and *Teper*. For instance, dependent Claim 26 requires that the limitation of verifying the received information identifying the payment account during the enrollment session includes verifying that the account can be electronically debited. The *Sacks* provisionals and *Teper* both fail to teach, suggest, or motivate this further limitation. Also, dependent Claim 27 includes the limitation of "evaluating at least one risk factor relating to the network user to determine acceptable level of risk in accepting payment from the network user." Nowhere in the *Sacks* provisionals, nor in *Teper*, does it disclose evaluating risk factors (such as credit history, account histories, credit ratings/scores, bad check history, etc.) associated with the buyer for an unenrolled network user during an enrollment session or otherwise. Therefore, in

addition to being allowable as a matter of law as depending from one of amended independent Claims 1, 8 and 16, dependent claims, such as Claims 26 and 27, may also be allowable for their independent recitation of patentable features.

For the above stated reasons, the combination of the *Sacks* provisionals and *Teper* does not render the pending claims obvious. Therefore, allowance of the pending claims is respectfully solicited.

CONCLUSION

The Applicants believe they have responded to each matter raised by the Examiner. Allowance of the claims is respectfully solicited. It is not believed that extensions of time or fees for addition of claims are required beyond those that may otherwise be provided for in documents accompanying this paper. However, in the event that additional extensions of time are necessary to allow consideration of this paper, such extensions are hereby petitioned under 37 CFR §1.136(a), and any fee required therefore (including fees for net addition of claims) is hereby authorized to be charged to Deposit Account No. 19-5029.

Respectfully submitted,



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